

ARTICLE V
EVENTS OF DEFAULT

Section 1. The following events shall be events of default under this Mortgage Deed of Trust or Second Mortgage and the words "event of default" or "events of default" shall mean, whenever same are used in this Mortgage Deed of Trust or Second Mortgage, one or more of the following events:

- (a) If default shall be made in the payment of any installment of interest on any of the bonds issued hereunder when and as the same shall become payable as therein and herein expressed and such default shall continue for the period of thirty days;
- (b) If default shall be made in the payment of the principal of any of said bonds when the same shall become due and payable either by the terms hereof, by acceleration or otherwise, as herein provided;
- (c) If default shall be made in payment to the Trustee of the sum or sums to be deposited for redemption of said bonds as provided in Section 2, of Article III.
- (d) If default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Corporation, its successors or assigns, in the said bonds or in this Mortgage Deed of Trust or Second Mortgage contained and such default shall continue for the period of sixty days after written notice to the Corporation from the Trustee or from the legal holder or holders of at least a majority in amount of the principal of said bonds then outstanding secured hereby and unpaid, specifying such default and requiring the same to be remedied; and
- (e) If an order shall be made for the appointment of a receiver or receivers of the Corporation or of the trust estate or of any part thereof, or for the sequestration of its assets, or the winding up or liquidation of its business and affairs, or if any action shall be taken by the Corporation for any of the purposes specified in this subdivision (e), or if the Corporation shall be adjudicated a bankrupt, or if there shall be filed a petition for voluntary or involuntary bankruptcy.

ARTICLE VI
REMEDIES OF TRUSTEE AND BONDHOLDERS IN EVENT OF DEFAULT

Section 1. If one or more events of default shall happen, then and in each and every such case, the Trustee personally or by its agents or attorneys, either in its own right or as Trustee or as attorney in fact of the Corporation, may enter into and upon any and all or any part of the hereinabove described properties and may exclude the Corporation, its agents and servants wholly therefrom and may use, operate, manage and control said properties and conduct the business thereof, either personally or by its agents, servants and attorneys; and upon every such entry, the Trustee, at the expense of the trust property, from time to time may repair and maintain and insure or keep insured the said properties as in the judgment of the Trustee may be deemed proper. Upon such entry, the Trustee shall be entitled to collect and receive all earnings, incomes, rents, issues and profits arising from the operations of said properties and, after deducting the expenses of conducting the business of the Corporation and of all repairs, maintenance, renewals, replacements, improvements and the payment of all taxes, assessments and insurance and other proper charges upon said properties, or any of them, as well as just and reasonable compensation for its own service and for the services of its attorneys, agents, servants or employees, to apply the moneys arising as aforesaid, first for the equal and pro rata benefit of the holders of the First Mortgage Bonds then outstanding, and second, for the equal and pro rata benefit of the holders of the Second Mortgage Bonds then outstanding, of the Corporation; and may proceed to protect its rights and the rights of the bondholders under this Mortgage Deed of Trust or Second Mortgage by suit or suits in equity or at law or by any special or statutory proceeding whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or the foreclosure of this Mortgage Deed of Trust or Second Mortgage, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or duties hereunder.

Section 2. If one or more of the events of default shall happen and after the expiration of the period of grace, if any, herein provided for in respect of any such default (such default still continuing), then and in every such case the Trustee may, and upon the request of the holders of fifty per cent. (50%) in amount of the bonds secured hereunder then outstanding, shall by notice in writing mailed to the Corporation by registered mail, addressed to the Corporation at its office in the City of Greenville, declare the principal of all bonds secured hereunder due and outstanding to be due and payable immediately. Upon such declaration by the Trustee, the principal of all the bonds secured hereunder then outstanding shall become and be immediately due and payable, anything in this Mortgage Deed of Trust or Second Mortgage or in said bonds contained to the contrary notwithstanding.

Section 3. If one or more of the events of default shall happen and after the expiration of the period of grace, if any, herein provided for in respect of any such default, then the Trustee, either personally or by its attorney, in its discretion may:

- (a) Sell at public sale, subject to the First Mortgage after advertisement once a week for thirty (30) days in a daily newspaper of general